

**FORM MR-AR**  
(Revised 1/2007)

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION OF OIL, GAS AND MINING**

1594 West North Temple - Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

Telephone: (801) 538-5291

Fax: (801) 359-3940

**SMALL MINING OPERATIONS 2006 PROGRESS REPORT**

January 1, 2006 to December 31, 2006

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: 5230088
2. Mine Name: BLACK DESERT MINE
3. Name of Operator/Permittee: BLACK DESERT MINING LLC

Note: If Operator's address, company representative or phone number have changed, please provide a replacement page to the Notice of Intention.

4. Mine Location: JUAB COUNTY
5. Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material:

Gross Ore Mined 1800 Tons, or        yd<sup>3</sup>

Waste Material Moved        Tons, or 3500 yd<sup>3</sup>

New Disturbance 3 Acres during 2006

Area Reclaimed 0 Acres during 2006

Total Disturbed Area 3 Acres\*

Was the ore shipped off site? If not, where is the ore located? NO, THE ORE IS STOCKPILED ON A PAD NEAR BOTTOM OF DISTURBED AREA.

Where is the waste located? TO THE SIDE OF DISTURBED AREA

\*Total life of mine disturbance to the end of 2006.

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

OTHER THAN STOCKPILE OF OVERBURDEN & TOPSOIL  
NO OTHER RECLAMATION ACTIVITIES HAVE TAKEN  
PLACE.

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): BLACK DESERT MINING LLC, STEVE YOUNG  
Title of Operator: MANAGER  
Signature of Operator: [Signature]  
Date: JAN 30, 2007

pb  
o:\forms\reports\MR-AR

RECEIVED

JAN 31 2007

DIV. OF OIL, GAS & MINING

1669 South 580 East AMERICAN FORK, UT 84003  
PHONE 801-763-0137 FAX 801-763-7985

**BLACK DESERT  
MINING LLC.**

# Fax

**To:** Susan White

**From:** SAY

**Fax:** 801-359-3940

**Pages:** 2

**Phone:**

**Date:** Jan 30, 2007

**Re:**

**CC:**

☐ Urgent    ☐ For Review    ☐ Please Comment    ☐ Please Reply    ☐ Please Recycle

• **Comments:**

Black Desert Mine Annual Report ( Hard copy to follow in mail)

**RECEIVED**

**JAN 31 2007**

**DIV. OF OIL, GAS & MINING**